# STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

October 13, 2006

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

OAHU/KAUAI

Request to Write-Off Uncollectible Accounts on Oahu and Kauai.

### **BACKGROUND:**

Pursuant to Chapter 40, Section 82, Hawaii Revised Statues (HRS), the directors, boards, or executive heads of executive departments may from time to time prepare and submit for review of the Attorney General a list of all uncollectible accounts in their departments. Such accounts as the Attorney General finds to be uncollectible shall be entered in a special record and be deleted from the accounts receivable records of the departments, which shall thereupon be relieved from any further accountability for their collection, provided that no account shall be so deleted until it shall have been delinquent for at least two consecutive years.

The following balances have been deemed uncollectible:

### OAHU

1) XP 90006; Mary K. H. Lopez Palomo (deceased)

Amount owing: \$50.00

The Land Board at its meeting of April 22, 1977, under agenda Item F-20, the Department was trying to legalize the occupancy of 29 families who moved into Maunalaha Valley in the early 1900's by granting the 29 families revocable permits. The month-to-month revocable permit was for residence purpose. The monthly rent was \$7.50

A month-to-month revocable permit to Ms. Palomo was never executed. We are unable to determine why Ms. Palomo didn't sign the permit document. Our records show that on December 17, 1983, Ms. Palomo was allowed to sign General Lease No. S-4908. Ms. Palomo passed away on March 15, 1984.

2) Revocable Permit S-3923a; Eckley Yim (deceased)

Amount owing: \$550.00

This month-to-month revocable permit was for residence purposes at Waialee effective October 1, 1966. Monthly rent was \$550.00

The property had been transferred to the City and County of Honolulu via Governor's Executive Order No. 3497 for the Waialee Beach Park. The revocable permit was terminated on December 31, 2003. The security deposit (\$550) was applied to rent owed. This amount owed reflects December 2003 rent. It is our understanding, Mr. Yim passed away several years ago, and his son Mr. Mark Yim was taking care of the State property.

3) Revocable Permit S-177; Millie Ponimoi (deceased)

Amount owing: \$9,821.91

This month-to-month revocable permit was for residence purposes at Auwaiolimu effective July 1, 1942. Monthly rent was \$1,175.00

The revocable permit was terminated on March 31, 1995. The security deposit (\$60) was applied to rent owed. This amount owed reflects rent owed since August 1994 to March 31, 1995 plus late fees. It is our understanding Ms. Ponimoi passed away before 1972, and her husband and family members were allowed to continue to occupy the State property. Our staff did not change the revocable document to correctly show who is responsible for the rent. Eventually family members fell behind on the rent payments.

## KAUAI

1) General Lease No. S-4576; Lihue Plantation Co., Ltd.

Amount owing: \$52.83

This was a sugar cultivation, pasture and other diversified agricultural lease that commenced on December 15, 1977 and terminated April 2, 2002.

Amfac Hawaii, LLC and its nine subsidiaries filed for bankruptcy in February 2002. The U.S. Bankruptcy Court [Case Number 02-07637] discharged the debts on April 2, 2002.

# RECOMMENDATION:

That the Board approve of and recommend to the Attorney General to consider the above-referenced accounts to be uncollectible, and be deleted from the Department of Land and Natural Resources accounts receivable and placed in a special record, and that should any of these accounts become collectible, that such account be transferred

back to the current accounts receivable.

Respectfully Submitted,

Olfalone & Unoley.
Charlene E. Unoki

Assistant Administrator

APPROVED FOR SUBMITTAL:

Peter T. Young

Chairperson